REMARKS

Claims 62, 65, 68-70, 73, 75-77, 81, 84, 86-90 and 92-95 are pending in this application, with Claims 62, 68, 81, 87 and 92 amended, and Claims 1-61, 63, 64, 66, 67, 71, 72, 74, 78-80, 82, 83, 85 and 91 cancelled. The Applicant respectfully requests reconsideration and review of the application in view of the amendments and the following remarks.

Before addressing the merits of the rejections based on prior art, the Applicant provides the following brief description of the present application. The present invention is directed toward a system and method for adding an advertisement to a personal communication. Specifically, as shown in Figures 1 and 2, the system (10) comprises a Web site (110), a sender device (120) and a recipient device (130), wherein the Web site (110) is in communication with the sender device (120) and the recipient device (130) via a wide area network (102) (*e.g.*, the Internet), and comprises a server (112), an advertising application (114) and a memory device (116). In one embodiment of the present invention, the advertising application (114) is configured to (i) automatically select an advertisement from a plurality of advertisements (*e.g.*, as stored in the memory device), (ii) insert the advertisement into an email (*e.g.*, as initiated by the sender device), and (iii) send the email to the recipient device.

In another embodiment of the present invention, the advertising application is further configured to ***use at least a portion of the content or subject matter of the email to select an advertisement from a plurality of advertisements***, wherein ***the sender is compensated for allowing the advertisement to be inserted into the email***. The system is advantageous over the prior art in that it (i) compensates the sender for sending an email to a recipient (*e.g.*, by providing the sender with free email service, etc.), and (ii) provides advertisements for products to consumers that are more likely to be interested in the products. The system does this by inserting advertisements into emails that include related subject matter and/or content. For example, an advertisement for Nike™ may be inserted into an email concerning sports (*e.g.*, an email asking the recipient whether he/she would like to go to a football game with the sender).

The Examiner rejected Claims 92-95 under 35 U.S.C. § 102(e) as being anticipated by Gabbard et al. (U.S. Pat. No. 6,205,432). The Examiner also rejected Claims 62, 65, 68-70, 73, 75-77, 81, 84, 86-90 and 92-95 under 35 U.S.C. § 103(a) as being unpatentable over Gabbard et al. ("Gabbard") in view of Roth et al. (U.S. Pat. No. 6,285,987). The Applicant respectfully traverses these rejections.

As to Claims 92-95, the Examiner stated that "[i]t is important to note that claim 92 (unlike the other independent claims) does not make a distinction between communication data and any recipient data. The communication data can be taken to include the recipient data." Office Action at p. 2. Accordingly, the Applicant has amended Claim 92 to provide a distinction between "communication data" and "recipient data." Claim 92 now provides the step of "receiving communication data and recipient data from a sender, wherein said communication data and said recipient data are used at least to send a personal communication to at least one recipient." Therefore, the rejections of Claims 92-95 under 35 U.S.C. § 102(e) should be withdrawn.

As for the rejections under 35 U.S.C. § 103(a), Gabbard provides a system and method for inserting a background reference to an advertisement (*e.g.*, a watermark) in an electronic communication. According to Gabbard, the watermark is "selected in accordance with end user recipient demographic information and/or ad exposure statistics" (*see* Abstract). Specifically, as shown in Figure 5:

> Based on a determination in step 408, advertisements may be selected by the background reference system 155 based on ***available demographic information for a particular end user recipient*** (step 414) ***and/or on advertiser and advertisement exposures*** (step 416). In a web-based "free" e-mail implementation, acquisition of demographic information is required before the e-mail account is provided to a user. If demographic information is not available or is otherwise inconclusive for targeted advertisements, commitments to advertisers may drive the selection from a pool of available advertisers. Of course, as advertisements are selected based on demographic categories or exposure requirements, records are maintained for future selection and reporting purposes.

See col. 10, ll. 3-16 (emphasis added). Thus, Gabbard does not disclose "using at least

a portion of the content of said communication data to automatically select at least one advertisement from said plurality of advertisements." The Examiner agreed, stating that "Gabbard et al fails to explicitly teach targeting advertising according to subject matter or content of the email message/body itself." Office Action at p. 4. The Examiner stated, however, that this feature is disclosed in Roth et al. ("Roth"). The Applicant respectfully disagrees.

Roth provides an Internet advertising system, in which advertisements for web pages are auctioned off to the highest bidder. *See* Abstract. As shown in Figure 3, a client browser (*e.g.*, Netscape™, Internet Explorer™, etc.) (11) is used to view a web page from a web site (14). If the web page includes an HTML reference to the web server (310), then the web server (310) provides an advertisement to the client browser (11). *See*, *e.g.*, col. 6, ll. 41-45. In doing so, the web server (310) selects the advertisement from ad tables (16A) based on a highest bid received from a plurality of bidding agents (30A, 30B, 30Z). *See*, *e.g.*, col. 7, ll. 19-23.

The Examiner stated that "[w]hile Roth et al. teaches advertising to appear on web pages, he nonetheless teaches that the ad chosen to be shown on that webpage can be targeted according to several factors including both demographics of the user or the keywords of the content being read by that user." Office Action at p. 4. The Applicant respectfully disagrees. Roth provides an Internet advertising system, in which advertisements for web pages are ***automatically selected based on a highest bidder***. *See*, *e.g.*, col. 2, ll. 54-65 ("Next, the bid selection logic selects the highest bid from the various available bids and the advertisement which is specified in the highest bid is displayed."); and col. 7, ll. 19-23 ("After receiving input from bidding agents 30 (that is from all the bidding agents 30 that submit bids) the bid selection logic 16C in view server 320 selects the highest bid and indicates to web server 310 which advertisement should be displayed in response to the view-op.").

While Roth provides that "demographics" and "keywords" can be used, they are only used by the bidding agents to bid on advertising space. *See*, *e.g.*, col. 10, ll. 33-67 and col. 11, ll. 33-37. In other words, in response to receiving an HTML reference, the view server (*see* Fig. 3, ref. 320) submits data to a plurality of bidding agents (30A, 30B,

30Z), including viewer data (*e.g.*, name, email, IP info., etc.) and web page data (*e.g.*, Owner, URL, keywords, etc.) (*see* col. 10, l. 33 - col. 11, l. 20). The bidding agents (30A, 30B, 30Z) use the data to bid on advertising space associated with the HTML reference. *See*, *e.g.*, col. 11, ll. 33-37. For example, Nike™ may bid 5¢ for advertising space on www.espn.com, and 1¢ for advertising space on any web page that includes the keywords "basketball" and "Michael Jordan." Thus, while keywords are provided to advertisers, they are only used to identify "words that must be in the site if a bid is to be submitted." *See* col. 14, ll. 21-22. The data, however, is not used by the bid selection logic (16C) to select an advertisement for the web page. That selection is based ***exclusively on the highest bid***. *See*, *e.g.*, col. 2, ll. 54-65; and col. 7, ll. 19-23. Thus, there is no disclosure in either Gabbard or Roth of "using at least a portion of the content of said communication data to automatically select at least one advertisement from said plurality of advertisements." *See* Claim 62. The "keywords" in Roth are included

The question then becomes "whether the improvement [in Claim 62] is more than the predictable use of prior art elements according to their established function." *KRS Int'l Co. V. Teleflex Inc.*, 550 U.S. 398, 417 (2007). In response, the Examiner stated that "[g]iven the motivation provided by Gabbard et al. to seek other known advertising targeting criteria, it would have been obvious to one or ordinary skill at the time of the invention to have used the keywords (i.e., subject matter, content) in Gabbard et al's email messages so that the advertising can be more relevant to the current view-op, thus providing more effective advertising." Office Action at pp. 4-5. The Applicant respectfully disagrees.

It would not have been obvious to combine Gabbard and Roth because the two references are directed toward different technologies. Gabbard provides a system for inserting an advertisement into a ***private email***, wherein Roth provides a system for advertising on a ***public web page***. While the two systems may seem similar, they are actually quite different. For example, in Roth, web page information is not provided to the system via the client browser. Instead, it is collected beforehand and stored in data tables (*see* Fig. 3, Ref. 16B). This is because the web page information (*e.g.*, URL,

keyword, etc.) is public information, and can be collected by anyone, at anytime, from anywhere.

In contradistinction, email information is private information and cannot be collected beforehand. In fact, in virtually all instances, it does not even exist beforehand. Because Roth requires web page information to be collected beforehand, and stored in data tables (16B), Roth would not function in an email environment.

Even if an email was prepared in advance, Roth does not disclose how email information would be collected. It is common knowledge that web page information is provided in a data set referred to as "meta-data," or "meta-tags." Meta-data is data that is (1) created by the owner of the web page, (2) associated with the web page and (3) includes information on the web page (*e.g.*, URL, keyword, etc.). Thus, it is relatively easy for Roth to function in a web page environment. It only needs to collect predefined web page information. Emails, however, do not generally include meta-data. To the extent they do, they most certainly do not include meta-data on "keywords." In order for Roth to function in an email environment, it would have to (1) intercept an email, (2) search for terms in the email, and (3) identify terms that are relevant -- none of which are disclosed in Roth. Roth does not teach, for example, how an advertisement would be selected on an email that states "my boss has me jumping through hoops." Would Roth select an advertisement based on the keyword "boss," or would it select an advertisement based on the keywords "jumping" and "hoops?" Roth also does not teach how an email can be intercepted without violating the Electronic Communications Privacy Act of 1986 ("ECPA"), which "makes it an offense to 'intentionally intercept[ ], endeavor[ ] to intercept, or procure[ ] any other person to intercept or endeavor to intercept, any wire, oral, or electronic communication.'" *U.S. v. Councilman*, 418 F.3d 67, 72 (1st Cir. 2005). Because Roth requires predefined web page information (*e.g.*, metadata), Roth would not function in an email environment.

It would also not have been obvious to take the "keyword" feature of Roth, and include it in Gabbard. Roth provides that upon the reception of a HTML reference, previously collected "keywords" are retrieved from a database. As discussed above, such a system would not function in an email environment. This is because predefined

email information (*e.g.*, keyword meta-data) does not exist. Roth further provides that the "keywords" are then provided to bidding agents, where they are used (together with additional information) to bid on advertising space. Thus, by combining the "keyword" feature of Roth with Gabbard, it would ***not*** result in the claimed invention. Instead, it would result (at best) in a system where "keywords" are provided to third party advertisers and used to bid on (or express an interest in) advertising space. There is no disclosure in either Gabbard or Roth of a system that uses content of an email (or a web page for that matter) ***to select an advertisement*** for use therein. Further, such a modified system would appear to violate the ECPA by providing private, electronic communications (or portions thereof) to third parties. *See U.S. v. Councilman*, 418 F.3d at 72.

Based on the foregoing, it is clear that Roth ***does not disclose*** "using at least a portion of the content of said communication data to automatically select at least one advertisement from said plurality of advertisements." In Roth, "keywords" are provided to bidding agent, and they are not used to select an advertisement. Instead, they are used (together with additional information) to bid on advertising space.

It is also clear that Roth ***does not suggests*** the foregoing limitation. Any such argument would be based on impermissible hindsight. *See, e.g., KRS Int'l Co.*, 550 U.S. at 421 ("A factfinder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon *ex post* reasoning."); and W.L Gore & Assocs. v, Garlock, 721 F.2d 1540, 1553 (Fed. Cir. 1983) ("To imbue one of ordinary skill in the art with knowledge of the invention in suit, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher.").

The overall concept of Roth has been around for quite a while. In traditional advertising media, an advertiser would not advertise a chainsaw in a fashion magazine any more than he would advertise skincare cosmetics in a hunting magazine. Advertisers place advertisements in mediums whose demographics are likely purchasers of their products. For example, one would advertise diapers on a daytime

talk show because individuals who watch daytime talk shows are likely to be mothers of small children. This advertising model, however, is not suitable for email. This is because emails from a sender to a recipient (1) vary as to subject matter, (2) are created shortly before they are sent, and (3) are considered private communications. Because of this, one skilled in the art would not have considered Roth in designing an advertising system for email. Not only would sharing information about the recipient and the content of the email to third parties be an invasion of privacy and a violation of the ECPA, but it would be unacceptable to the sender/recipient of the email. It would also require a real-time collection of relevant data (something not taught in Roth).

In light of the foregoing arguments, the rejection of independent Claim 62, and the rejections of independent Claims 68, 75, 81, 87, 88 and 92, which include similar limitations, should be withdrawn. Further, the rejections of Claims 65, 69-70, 73, 76, 77, 84, 86, 89, 90 and 93-95, which depend from the foregoing independent claims, should also be withdrawn.

The Applicant respectfully submits that Claims 62, 65, 68-70, 73, 75-77, 81, 84, 86-90 and 92-95 are in condition for allowance. Reconsideration and withdrawal of the rejections is respectfully requested, and a timely Notice of Allowability is solicited. To the extent it would be helpful to placing this application in condition for allowance, the Applicant encourages the Examiner to contact the undersigned counsel and conduct a telephonic interview.

To the extent necessary, the Applicant petitions the Commissioner for a one-month extension of time, extending to May 22, 2009, the period for response to the Office Actions dated January 22, 2009. The Commissioner is authorized to charge $65 for the Petition for a one-month extension of time, pursuant to 37 C.F.R. § 1.17(a)(1), and any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account No. 50-0639.

Respectfully submitted,

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